

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** July 23, 2009  
**POSITION:** Oppose

**BILL NUMBER:** AB 1571  
**AUTHOR:** Assembly Veterans Affairs

### **BILL SUMMARY:** Mental Health Services for California Veterans

This bill would require the Department of Mental Health (DMH) to inform the Department of Veterans Affairs (DVA) of any county plans that have outreach programs or services specifically for veterans. The bill also specifically includes veterans' groups in a list of stakeholders that may be consulted in the development of counties' three-year plans, and would require the DMH to contract for a study on veteran's mental health services using Mental Health Services Act (MHSA) funding.

### **FISCAL SUMMARY**

This bill would result in minor, absorbable costs to the DMH to inform the DVA of any county plans that include veterans outreach programs or services.

This bill would require the DMH to contract for a study on veterans' mental health services using MHSA funding. The DMH has indicated that it believes this type of study would cost approximately \$100,000 MHSA funds.

While this study could provide valuable information on the status of veterans' mental health services, a pilot program is included in the amended Budget Act of 2009 (Chapter 1, Statutes of 2009) to coordinate and expand veteran's access to mental health services. Another resource, the Veterans Network of Care, also has recently been released. With these new programs in implementation, it may be premature to conduct a study at this time.

### **COMMENTS**

Finance opposes this bill for the following reasons:

- It is unnecessary. Current law requires counties to consider other important interests, which include veterans and veterans organizations, when developing their MHSA spending plans,
- This could put the state in violation of the MHSA because it could put state operations spending over the 5 percent limit imposed by the MHSA.
- It may be premature to conduct a study at this time, given the implementation of a new pilot program to coordinate and expand veterans' mental health services.

### **ANALYSIS**

#### A. Programmatic Analysis

Proposition 63, also known as the MHSA, was approved by voters in November 2004. It imposes a one percent income tax on personal income in excess of \$1 million annually. MHSA Funds support county

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| Analyst/Principal<br>(0522) J. Doyle | Date | Program Budget Manager<br>Lisa Ann L. Mangat | Date |
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| Department Deputy Director | Date |
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| Governor's Office: | By: | Date: | Position Approved _____    |
|                    |     |       | Position Disapproved _____ |

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| <b>BILL ANALYSIS</b> | Form DF-43 (Rev 03/95 Buff) |
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## Assembly Veterans Affairs

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mental health programs that provide a broad array of prevention and early intervention services. Additionally, funds provide statewide infrastructure, technology, training and administrative support.

Current law establishes the MHSOAC to oversee the implementation of the MHSA, as well as review and approve components of counties' three-year plans for programs using Mental Health Services Fund money.

Current law requires the DMH, in consultation with the MHSOAC, to review and approve components of counties' three-year plans for programs using Mental Health Services Fund money.

Current law requires counties to consider local stakeholder input when developing their three-year plans. These local stakeholders include adults and seniors with severe mental illness, families of children, adults and seniors with severe mental illness, providers of services, law enforcement agencies, education, social services agencies and other important interests.

While not specifically stating that veterans groups be included in the stakeholder process, current law suggests counties consider “other important interests”.

## B. Fiscal Analysis

Funding was provided in the amended 2009 Budget Act for a Pilot Program that would coordinate and expand veterans' mental health services. Another resource, the Veterans Network of Care, also has recently been launched. This bill would require the DMH to contract for a study on veteran's mental health services using MHSA funding. Although the study could provide information regarding the current state of veterans' mental health services, it is unlikely that the effects of recently implemented programs could be evaluated. The DMH has indicated that this contract would cost approximately \$100,000 MHSA funds.

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|-------------------|-----------------------------|------------------------|--------------------------------|-----------|----|-----------|----|-----------|------|
|                   |                             | SO                     | (Fiscal Impact by Fiscal Year) |           |    |           |    |           |      |
| Code/Department   | LA                          | (Dollars in Thousands) |                                |           |    |           |    |           |      |
| Agency or Revenue | CO                          | PROP                   |                                |           |    |           |    |           | Fund |
| Type              | RV                          | 98                     | FC                             | 2008-2009 | FC | 2009-2010 | FC | 2010-2011 | Code |
| 4440/Mental Hth   | SO                          | No                     |                                | --        | C  | \$100     |    | --        | 3085 |
| <u>Fund Code</u>  | <u>Title</u>                |                        |                                |           |    |           |    |           |      |
| 3085              | Mental Health Services Fund |                        |                                |           |    |           |    |           |      |